STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

June 8, 2007

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

PSF: 06KD-205

Kauai

Consent to Assign General Lease No. S-5397, Richard Corr, Assignor, to Corrine Murata and Wanda Corr, Assignees, Hanapepe, Waimea, Kauai, Tax Map Key: (4) 1-9-12:28.

APPLICANT:

Richard Corr, as Assignor, to Corrine Murata, Wife of Jay Murata and Wanda Corr, Unmarried, Joint Tenants, and mailing address is P.O. Box 3205, Lihue, Hawaii, 69766, as Assignees.

LEGAL REFERENCE:

Section 171-36(a)(5), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government (Crown) Lands of Hanapepe situated at Hanapepe, Waimea, Kauai, identified by Tax Map Key: (4) 1-9-12: 28, as shown on the attached map labeled Exhibit A.

AREA:

7.22 acres, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CHARACTER OF USE:

General agricultural purposes.

TERM OF LEASE:

Thirty-five (35) years, commencing on August 1, 1995 and expiring on July 31, 2030. Last rental reopening occurred on August 1, 2005;

next rental reopening is scheduled for August 1, 2015.

ANNUAL RENTAL:

\$2,100.00.

CONSIDERATION:

\$1.00 and love

RECOMMENDED PREMIUM:

None

DCCA VERIFICATION:

Assignor/Assignees are individuals and, as such, is not required to register with DCCA.

REMARKS:

Mr. Corr along with his daughter, Ms. Corrine (Corr) Murata raised taro on the property for years under Revocable Permit S-6016. Pursuant to Act 237, SLH 1988, the Department was directed to issue long-term leases to qualified month-to-month tenants. General Lease No. S-5397 to Mr. Richard Corr was issued on August 1, 1995.

In 2006 Mr. Corr took ill and his family has continued to work the taro farm. Mr. Corr passed away on October 15, 2006.

Ms. Murata along with Mr. Corr's former wife, Ms. Wanda Corr, have requested the lease be assigned to them so they can continue to produce taro on the property. Ms. Murata worked alongside her father for many years and eventually took over the financial duties for her father.

The Assignees have not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Lessee is in compliance with all lease terms and conditions. The next rental reopening is scheduled for August 1, 2015. In the past two years, 3 Notice of Default letters were issued for delinquent rent. The tenant submitted payment thereafter. In January 2007, a Notice of Default letter was issued for not having a conservation plan. The tenant is working with U.S.D.A

Our record indicates there is a \$5,280 personal surety. The Assignees will be required to submit a \$4,200 performance bond in the form of cash, certificate of deposit, savings passbook or a surety instrument from a licensed bonding company.

RECOMMENDATION:

That the Board consent to the assignment of General Lease No. S-5397 from Richard Corr, as Assignor, to Corrine Murata and Wanda Corr, as Assignee, subject to the following:

- 1. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
- 2. Review and approval by the Department of the Attorney General; and
- 3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Thomas Oi

Kauai District Land Agent

APPROVED FOR SUBMITTAL:

Állan A. Smit

Interim Chairperson

